

Income &
Inventory
Report

Fiscal Year

2011-12

Annual review of income generated by state trust lands

Colorado State
Board of Land
Commissioners

**Colorado State Board of Land Commissioners
Income & Inventory Report | FY 2011-12**

Introduction

As required by Section 36-1-153.5, C.R.S., the Colorado Board of Land Commissioners (State Land Board) is pleased to present its annual Income and Inventory Report, which details the income generated by state trust lands in Fiscal Year 2011-12¹, examines our revenue trends, and contains a trust land and mineral inventory summary. Appendix A also provides income statements for each of the eight (8) trusts we manage, including sources of revenue and allocated expenses for each of the past five (5) fiscal years.

Summary

FY 2011-12 was again a record setting year for the State Land Board. At \$146.3 million, total trust revenues were nearly twenty (20) percent higher than last year's record and more than double total trust revenues from two (2) years ago.

The FY 2011-12 revenue performance was driven by the following:

- The Niobrara oil and gas leasing and development boom;
- The Lowry Range oil and gas lease;
- New agricultural and grazing rents;
- Renewable energy revenues from new wind projects;
- Construction-related materials royalty revenues due to an improving economy; and,
- New right-of-ways revenues from new pipeline and power line projects.

Exhibit 1: Total Trust Revenue
FY 2007-08 to FY 2011-12

REVENUE	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	% Inc
MINERALS	\$56,207,509	\$61,270,954	\$52,115,262	\$108,699,081	\$130,982,147	20.5%
SURFACE	\$11,817,545	\$10,453,837	\$11,260,856	\$10,424,367	\$11,543,962	10.7%
COMMERCIAL	\$2,412,551	\$2,769,676	\$3,532,836	\$2,772,299	\$2,863,664	3.3%
OTHER	\$162,522	\$386,738	\$508,170	\$480,733	\$595,519	23.9%
INTEREST INCOME	\$620,483	\$601,988	\$385,914	\$401,435	\$324,248	-19.2%
TOTAL REVENUE	\$71,220,611	\$75,483,193	\$67,803,038	\$122,777,915	\$146,309,539	19%

¹ State of Colorado fiscal year is from July 1st to June 30th.

Background

The State Land Board manages eight public trusts comprised of lands granted to the State of Colorado by the federal government. The trusts are managed for the benefit of public schools and public institutions. The State Land Board's mandate is to produce reasonable and consistent revenues over time and to promote and enhance sound stewardship of the assets entrusted to us (Colorado Constitution Article 9, Section 10).

The State Land Board owns and manages about 2.8 million acres of surface land and 4.0 million acres of mineral rights plus an assortment of other assets including commercial real estate, water rights, and other property improvements. Over the past two years, the State Land Board has developed a plan to diversify the uses of these assets in ways that will generate more consistent income over time including new recreational uses, ecosystem service opportunities, water development, and additional commercial assets.

Exhibit 2 below lists all trusts, the associated trust beneficiary, and FY 2011-12 revenues for each trust.

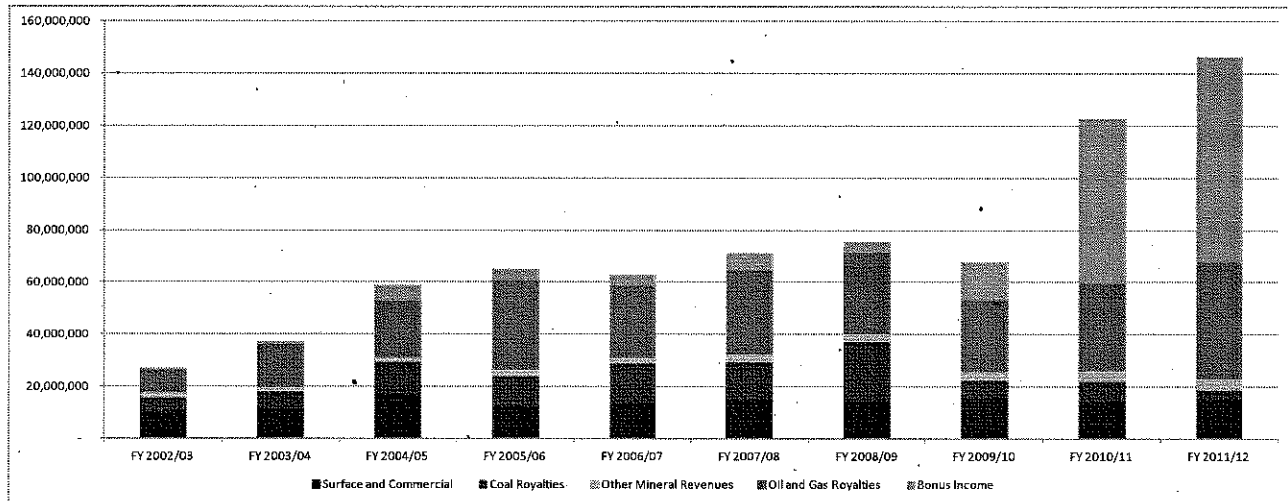
Exhibit 2: Trust and Revenues
FY 2011-12

TRUST	BENEFICIARY	FY 2011-12 REVENUES	% of total
School Trust	Common Schools	\$144,738,002	98.93%
CSU Trust	Colorado State University	824,823	0.56%
Internal Improvements Trust	Colorado Parks and Wildlife	408,543	0.28%
Public Buildings Trust	Public Buildings	151,225	0.10%
Hesperus Trust	Fort Lewis College	40,179	0.03%
Penitentiary Trust	Colorado Department of Corrections	38,680	0.03%
CU Trust	University of Colorado	24,133	0.02%
Saline Trust	Colorado Parks and Wildlife	23,569	0.02%
Forest Trust	Multiple	7,976	0.01%
Interest Income	N/A	52,409	0.04%
TOTAL TRUST REVENUES		\$146,309,539	100%

Trends

State Land Board total trust revenues grew dramatically over the past decade. In FY 2002-03, total trust revenues were \$27.3 million and, ten years later, total trust revenues were \$146.3 million in FY 2011-12. As shown in the bar chart below, most of this growth occurred over the last two years.

Exhibit 3: Ten Year Trust Revenues
FY 2002-03 to FY 2011-12



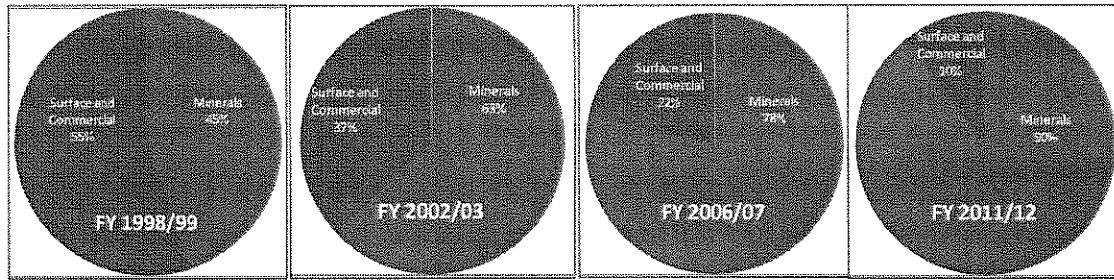
The increase in total trust revenue over the past ten years has been dominated by minerals revenues which are non-recurring and highly volatile. The State Land Board has been fortunate that the wide fluctuations in our individual mineral revenues stream have generally not been directly correlated.

Gas royalty revenue spiked in FY 2005-06 after Hurricane Katrina and the economic growth spurt that occurred just prior to the 2008 recession, which drove gas prices to \$7/mcf (it is less than \$2/mcf today). Gas royalty revenues decreased with the recession and have still not begun any meaningful recovery. From FY 2006-07 to FY 2008-09, annual coal royalty revenues jumped to over \$15 million as the existing 20 Mile coal mine moved primarily on to state trust coal. However, starting in FY 2009-10, coal royalties decreased as mining at the 20 Mile coal mine moved off state trust coal.

In 2009, horizontal drilling technology began to produce positive results within underground shale oil formations, principally the Niobrara. This precipitated a significant increase in oil and gas leasing (and therefore bonus payments) as well enhanced the redevelopment of existing oil and gas leases. State Land Board bonus revenues grew dramatically and we are waiting to see if and how this translates into increased royalties through long-term oil and gas production.

The mineral revenue performance from the past ten years increased the disparity between non-recurring, highly variable revenues (oil, gas, and coal royalties) and recurring, more consistent revenues (agricultural and commercial rents). Exhibit 4 shows the growth of mineral revenues as a percent of total revenues. In FY 1998/99, mineral revenues were less than half of total revenues. Today, minerals are ninety percent of total revenues.

Exhibit 4: Percent of Total Trust Revenues



The mineral performance over the past ten years overshadowed modest revenue gains in surface and commercial revenues. These revenues have increased over the past decade, growing from \$10.1 million in FY 2002-03 to \$15.3 million in FY 2011-12. As a group, surface and commercial revenues have increased at about double the inflation rate.

In FY 2012-13 and FY 2013-14, surface and commercial revenues are anticipated to grow due to new leasing opportunities and the acquisition of a new large commercial asset. However, we expect mineral revenues will probably continue to account for nearly ninety percent of total trust revenues. Bonus revenues are expected to decrease with the Niobrara lease rush receding but oil royalties and gas royalties could increase as some of the new wells come on line and show strong initial production results.

Financial Overview - FY 2011-12

MINERALS

In FY 2011-12, Minerals revenues were \$131 million which is an increase of twenty (20) percent over the previous fiscal year. This increase was driven by record oil and gas lease auction revenues (bonus) and oil royalties which accounted for 80% of total mineral revenues.

At \$78.5 million, bonus revenues were more in FY 2011-12 than total trust revenues were in FY 2009-10. Two thirds of the FY 2011-12 bonus revenues (\$51 million) came from the State Land Board's quarterly lease auctions driven by significant interest in leasing state trust mineral property with high shale oil potential. This is the second highest bonus from quarterly auctions on record.

Exhibit 5: Minerals Revenues
FY 2011-12

REVENUE	FY 2011-12	% Change from FY 2010-11
MINERALS		
Oil Royalties	\$27,346,650	56.0%
Gas Royalties	17,438,673	8.1%
Coal Royalties	3,363,070	-56.8%
Limestone Royalties	782,204	-8.4%
Other Mineral Royalties	664,800	18.2%
Gravel Royalties	188,215	5.0%
Bonus	78,447,368	24.0%
Oil and Gas Rentals	2,250,789	60.4%
SUA	214,934	-32.5%
Other Mineral Rentals	193,125	-67.0%
Coal Rentals	66,832	13.6%
Gravel Rentals	25,486	-6.3%
MINERALS	\$130,982,147	20.5%

The remaining third of the FY 2011-12 bonus revenue (\$27.5 million) was the result of the unique oil and gas lease the Board developed and successfully auctioned for the 26,000 acre Lowry Range property. This cutting edge lease took more than a year to develop in conjunction with numerous stakeholders, and resulted in a careful balance between protecting the extensive natural values of the property, while still providing access to the oil and gas resources. Our efforts resulted in what was at the time the highest per acre bid to date for the State Land Board: \$6,500 per acre.

Oil and Gas royalties also had a strong showing in FY 2011-12. Oil royalty revenues grew by 56% in FY 2011-12 based primarily on a 40% increase (90,000 barrels) in oil production on state trust land. Gas royalty revenues

also increased in FY 2011-12 despite the continued low market price of natural gas. The gas royalty increase was due to an eleven (11) percent increase in gas production primarily the result of the gas produced during the oil production process.

As the economy has improved over the past two years, so too has the production of construction-related materials on state trust assets. Increases and/or high revenues in limestone, other minerals (mostly quarry leases), sand and gravel reflect this trend.

Coal royalty revenues were the only significant source for the State Land Board that experienced a sharp decline in FY 2011-12. Coal royalties decreased drastically over the past two years as mining operations at the 20 Mile coal mine in Routt County followed the coal seam off state trust land. The State Land Board expects new production on state trust coal to occur on the nearby Sage Creek mine which is permitted to begin development over the next several years.

SURFACE

Surface revenues increased by nearly 11% to \$11.5 million in FY 2011-12. This increase was the result of increases in agriculture and grazing rents as well as a large, one time increase in right-of-way revenues.

Agricultural revenues grew by nearly 20% percent in FY 2011-12 due to a change in the approach the State Land Board uses to set dry land and irrigated lease rates. The approach better reflects current market rates for farmland leases. These new grazing lease rates were implemented in January 2012 which slightly increased overall grazing revenues.

Right of way contracts are generally one time payments for a 30-year easement for power lines, pipelines, and roads. The increase in FY 2011-12 is due to new pipelines related to new oil and gas production along the Front Range and new power lines related to utility-scale wind projects on the eastern plains.

COMMERCIAL

Commercial revenues are generated by commercial ground leases, commercial building rents (vertical assets), and communication towers placed on state trust land. Overall commercial revenues were up slightly in FY 2011-12.

Most notable was a 25% increase in revenues from vertical assets. Leasing activity at the State Land Board’s largest commercial asset, 600 Grant Street (Denver), has leveled off now that 90% occupancy has been reached and the building has much lower vacancy and stronger cash flow. Several other smaller buildings have also added new tenants which further increased this revenues stream.

For FY 2012-13, we expect this revenue source to grow as the State Land Board has recently acquired a Denver-area office building which is anticipated to yield in excess of 8% annually.

Exhibit 6: Surface Revenues
FY 2011-12

REVENUE	FY 2011-12	% Change from FY 2010-11
SURFACE		
Agricultural Rental	\$2,171,225	18.6%
Grazing Rental	6,401,933	5.7%
Other Surface Rental In	1,268,651	-5.2%
Recreation	919,718	0.5%
Right of Way	782,435	176.0%
Timber Sales	-	0.0%
SURFACE	\$11,543,962	10.7%

Exhibit 7: Commercial Revenues
FY 2011-12

REVENUE	FY 2011-12	% Change from FY 2010-11
COMMERCIAL		
Commercial	\$2,863,664	3.3%
COMMERCIAL	\$2,863,664	3.3%

OTHER AND INTEREST

Other and interest revenues produced a little less than \$1 million in FY 2011-12. Renewable energy revenues saw a 35% gain over last year, reflecting an overall increase in wind energy production on state trust land including new production from the Limon I and II wind farm projects.

Exhibit 8: Other and Interest Revenues
FY 2011-12

REVENUE	FY 2011-12	% Change from FY 2010-11
OTHER		
Renewable Energy	\$564,983	35.3%
Land Sales	22,552	-58.1%
Jackson/Larimer	7,984	-15.1%
OTHER	\$595,519	23.9%
INTEREST INCOME		
Interest Income	\$324,248	-19.2%
INTEREST INCOME	\$324,248	-19.2%

TRUST DISTRIBUTIONS

In FY 2011-12, total trust distributions were \$132.9 million which is a 17.5 percent increase over the prior year. After allocated costs and statutory fund transfers, the State Land Board distributes over ninety percent of trust revenues to beneficiaries.

Exhibit 9: Net Trust Distribution
FY 2011-12

TRUST	BENEFICIARY	FY 2011-12 Trust Distributions
School Trust	Common Schools	\$131,548,043
CSU Trust	Colorado State University	647,473
Internal Improvements Trust	Colorado Parks and Wildlife	389,317
Public Buildings Trust	Public Buildings	144,546
Hesperus Trust	Fort Lewis College	34,304
Penitentiary Trust	Colorado Department of Corrections	37,118
CU Trust	University of Colorado	24,129
Saline Trust	Colorado Parks and Wildlife	23,569
Forest Trust	Multiple	7,583
TOTAL TRUST DISTRIBUTIONS		\$132,856,081

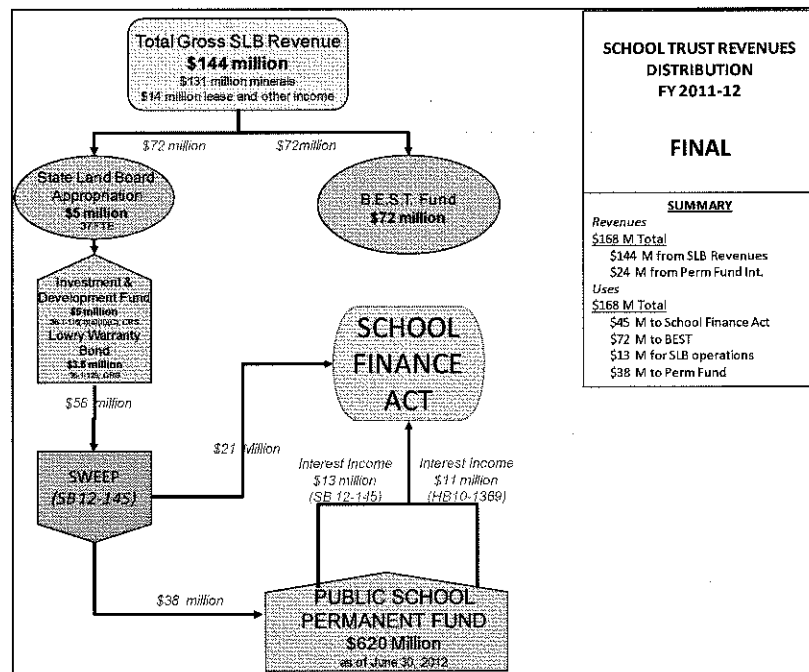
SCHOOL TRUST

In FY 2011-12, School Trust gross revenues were about \$169 million: \$145 million earned by the State Land Board land and mineral assets and \$24 million in interest income earned on the Public School Permanent Fund which is managed by the State Treasurer's Office. The flow chart (Exhibit 11) below is a chart of the how these revenues were utilized in FY 2011-12, with nearly \$40 million deposited into the Permanent Fund during the fiscal year.

Exhibit 10: School Trust Revenues Distribution
FY 2007-08 to FY 2011-12

	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	TOTAL
	Actual	Actual	Actual	Actual	
SCHOOL TRUST REVENUES					
Recurring Revenues (Surface & Commercial)	13,956,865	15,582,452	13,649,035	14,861,046	58,049,398
Non-Recurring Revenues (Minerals)	60,066,763	50,779,472	106,908,766	129,876,957	347,631,958
TOTAL SLB Revenues	74,023,628	66,361,924	120,557,801	144,738,003	405,681,357
Permanent Fund Interest Income	29,698,320	27,842,753	26,759,713	24,055,589	108,356,375
TOTAL SCHOOL TRUST REVENUES	103,721,948	94,204,677	147,317,514	168,793,592	514,037,732
SCHOOL TRUST USES					
SLB Operating Expense (Long Bill)	4,749,185	4,625,720	4,675,880	4,675,880	18,726,666
SLB I&D Fund	1,000,000	2,964,552	4,000,000	8,500,000	16,464,552
TOTAL SLB Uses	5,749,185	7,590,273	8,675,880	13,175,880	35,191,218
BEST Allocation	35,195,168	33,180,962	60,278,901	72,369,002	201,024,032
School Finance Act (Sweep)	33,079,276	25,590,689	51,603,020	21,000,000	131,272,985
School Finance Act (Interest on Perm Fund)	29,698,320	27,842,753	26,759,713	24,055,589	108,356,375
Early Childhood Literacy	-	-	-	-	-
Total Education Uses	97,972,763	86,614,404	138,641,634	117,424,591	440,653,392
Permanent Fund Deposit	-	-	-	38,193,121	38,193,121
TOTAL SCHOOL TRUST USES	103,721,948	94,204,677	147,317,514	168,793,592	514,037,732
Permanent Fund Balance (as of June 30th)	581,089,821	581,493,048	581,493,048	620,154,187	

Exhibit 11: School Trust Revenue Distribution
FY 2011-12



Inventory

As of October 2012, the State Land Board's land inventory stands at 2.8 million surface acres and 4.0 million subsurface acres. The legal acreage by trust is provided in Exhibit 12 below.

Exhibit 12
Trust Inventory as of October 1, 2012

Trust	Surface	Subsurface
School	2,635,019	3,848,326
Multi-Beneficiary (Forest)	70,348	70,308
Internal Improvements	47,721	-
CSU	19,130	42,572
Saline	10,600	350
Penitentiary	6,847	9,912
Hesperus	6,279	6,279
Univ of Colorado	3,521	11,704
Other Trust	26	17
Public Buildings	48	6,199
Total	2,799,538	3,995,666

Appendix A

INCOME STATEMENTS BY TRUST

Appendix A contains income statements for each of the eight (8) trusts as well as a total trust income statement. These income statements are compiled on a cash basis and are provided for management purposes only.

Income Statement

Colorado State Board of Land Commissioners

ALL TRUSTS

For FY 2007-08 to FY 2011-12

Cash Basis

REVENUE	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
MINERALS					
Oil Royalties	\$11,230,830	\$11,490,501	\$12,750,326	\$17,529,539	\$27,346,650
Gas Royalties	21,337,185	20,334,229	14,705,239	16,133,549	17,438,673
Coal Royalties	14,449,406	22,967,504	6,967,519	7,787,310	3,363,070
Limestone Royalties	147,420	150,007	88,030	854,150	782,204
Other Mineral Royalties	220,812	256,447	230,775	562,446	664,800
Gravel Royalties	311,925	169,132	188,537	179,228	188,215
Bonus	6,447,920	3,855,086	14,885,806	63,260,195	78,447,368
Oil and Gas Rentals	1,461,776	1,442,146	1,454,151	1,403,294	2,250,789
SUA	-	280,000	535,000	1,403,500	214,934
Other Mineral Rentals	512,216	236,413	222,918	584,851	193,125
Coal Rentals	60,753	62,673	60,753	58,833	66,832
Gravel Rentals	27,266	26,815	26,207	27,187	25,486
TOTAL MINERALS	\$56,207,509	\$61,270,954	\$52,115,262	\$108,699,081	\$130,982,147
SURFACE					
Agricultural Rental	\$1,870,607	\$1,836,789	\$1,879,675	\$1,830,146	\$2,171,225
Grazing Rental	6,198,163	6,085,294	6,305,108	6,057,651	6,401,933
Other Surface Rental Income	2,086,772	1,096,969	1,298,179	1,337,761	1,268,651
Recreation	956,579	937,870	983,682	915,295	919,718
Right of Way	636,346	424,805	794,212	283,515	782,435
Timber Sales	69,078	72,110	-	-	-
TOTAL SURFACE	\$11,817,545	\$10,453,837	\$11,260,856	\$10,424,367	\$11,543,962
COMMERCIAL					
Commercial	\$2,412,551	\$2,769,676	\$3,532,836	\$2,772,299	\$2,863,664
TOTAL COMMERCIAL	\$2,412,551	\$2,769,676	\$3,532,836	\$2,772,299	\$2,863,664
OTHER					
Renewable Energy	\$103,431	\$364,393	\$486,814	\$417,506	\$564,983
Land Sales	41,948	3,250	11,762	53,824	22,552
Jackson/Larimer	17,144	19,095	9,595	9,403	7,984
TOTAL OTHER	\$162,522	\$386,738	\$508,170	\$480,733	\$595,519
INTEREST INCOME					
Interest Income	\$620,483	\$601,988	\$385,914	\$401,435	\$324,248
TOTAL INTEREST INCOME	\$620,483	\$601,988	\$385,914	\$401,435	\$324,248
TOTAL REVENUE	\$71,220,611	\$75,483,193	\$67,803,038	\$122,777,915	\$146,309,539
OPERATING EXPENSES (Long Bill)					
GENERAL/ADMINISTRATIVE					
Salary and Benefits	\$2,588,370	\$2,921,532	\$2,849,186	\$2,994,695	\$3,157,253
Operating Expenses	1,918,197	1,956,221	1,872,910	1,982,719	1,914,218
Travel Expenses	49,886	52,568	67,982	57,083	50,122
Other Expenses	102,243	65,225	44,162	68,522	1,498
TOTAL GENERAL/ADMINISTRATIVE	\$4,658,696	\$4,995,546	\$4,834,240	\$5,103,019	\$5,123,091
TOTAL OPERATING EXPENSES	\$4,658,696	\$4,995,546	\$4,834,240	\$5,103,019	\$5,123,091
NET INCOME (LOSS)	\$66,561,915	\$70,487,647	\$62,968,798	\$117,674,896	\$141,186,448
DISTRIBUTIONS					
FUND TRANSFER	\$1,000,000	\$1,000,000	\$3,000,000	\$3,000,000	\$8,500,000
FUND BALANCE	(389,830)	3,937,288	(438,301)	1,969,969	212,550
TOTAL TRUST DISTRIBUTION	\$65,951,745	\$65,550,359	\$60,407,099	\$112,704,927	\$132,473,898

Income Statement

Colorado State Board of Land Commissioners

SCHOOL TRUST

For FY 2007-08 to FY 2011-12

Cash Basis

REVENUE	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
MINERALS					
Oil Royalties	\$11,198,480	\$11,469,022	\$12,736,608	\$17,477,758	\$27,333,665
Gas Royalties	20,802,776	19,509,292	13,958,154	15,349,324	16,623,000
Coal Royalties	14,449,406	22,967,504	6,967,519	7,787,310	3,363,070
Limestone Royalties	147,420	150,007	88,030	854,150	782,204
Other Mineral Royalties	220,812	256,127	230,455	562,446	664,480
Gravel Royalties	311,925	169,132	188,537	179,228	188,215
Bonus	5,974,830	3,806,001	14,880,486	62,649,071	78,406,236
Oil and Gas Rentals	1,423,166	1,413,777	1,419,804	1,378,609	2,227,112
SUA	-	280,000	535,000	318,500	214,934
Other Mineral Rentals	512,216	236,413	222,918	584,851	193,125
Coal Rentals	60,753	62,673	60,753	58,833	66,832
Gravel Rentals	27,266	26,815	26,207	27,187	25,486
TOTAL MINERALS	\$55,129,049	\$60,346,764	\$51,314,472	\$107,227,266	\$130,088,360
SURFACE					
Agricultural Rental	\$1,862,145	\$1,831,096	\$1,872,776	\$1,824,409	\$2,164,524
Grazing Rental	6,038,500	5,923,763	6,162,561	5,918,593	6,233,904
Other Surface Rental Income	2,057,897	1,065,107	1,271,695	1,309,890	1,246,356
Recreation	895,125	879,960	923,439	869,112	873,190
Right of Way	623,358	424,574	744,869	283,515	742,835
Timber Sales	55,232	56,458	-	-	-
TOTAL SURFACE	\$11,532,257	\$10,180,957	\$10,975,340	\$10,205,518	\$11,260,809
COMMERCIAL					
Commercial	\$2,411,066	\$2,768,181	\$3,389,085	\$2,414,414	\$2,565,975
TOTAL COMMERCIAL	\$2,411,066	\$2,768,181	\$3,389,085	\$2,414,414	\$2,565,975
OTHER					
Renewable Energy	\$103,431	\$342,976	\$469,211	\$417,506	\$564,983
Land Sales	4,085	3,250	4,095	53,824	22,552
Jackson/Larimer	-	-	-	-	-
TOTAL OTHER	\$107,515	\$346,226	\$473,307	\$471,330	\$587,535
INTEREST INCOME					
Interest Income	\$315,960	\$381,501	\$209,720	\$239,273	\$235,324
TOTAL INTEREST INCOME	\$315,960	\$381,501	\$209,720	\$239,273	\$235,324
TOTAL REVENUE	\$69,495,847	\$74,023,629	\$66,361,924	\$120,557,802	\$144,738,002
OPERATING EXPENSES - Allocated					
TOTAL OPERATING EXPENSES - Allocated	\$4,484,226	\$4,749,185	\$4,625,720	\$4,675,880	\$4,689,960
NET INCOME (LOSS)	\$65,011,621	\$69,274,444	\$61,736,204	\$115,881,922	\$140,048,043
DISTRIBUTIONS					
FUND TRANSFER	\$1,000,000	\$1,000,000	\$3,000,000	\$4,000,000	\$8,500,000
FUND BALANCE	1,006,697	3,823,775	(35,448)	1,109,081	-
TOTAL TRUST DISTRIBUTION	\$63,004,924	\$64,450,669	\$58,771,651	\$110,772,840	\$131,548,043

Income Statement

Colorado State Board of Land Commissioners

CSU TRUST

For FY 2007-08 to FY 2011-12

Cash Basis

REVENUE	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
MINERALS					
Oil Royalties	\$157	\$31	\$6,128	\$1,960	\$594
Gas Royalties	511,534	781,554	729,996	753,735	797,840
Coal Royalties	-	-	-	-	-
Limestone Royalties	-	-	-	-	-
Other Mineral Royalties	-	-	-	-	-
Gravel Royalties	-	-	-	-	-
Bonus	473,090	45,301	-	63,724	7,701
Oil and Gas Rentals	33,493	23,377	29,513	20,011	18,688
SUA	-	-	-	-	-
Other Mineral Rentals	-	-	-	-	-
Coal Rentals	-	-	-	-	-
Gravel Rentals	-	-	-	-	-
TOTAL MINERALS	\$1,018,273	\$850,263	\$765,637	\$839,429	\$824,823
SURFACE					
Agricultural Rental	\$2,740	\$2,740	\$2,740	\$2,740	\$2,740
Grazing Rental	33,353	32,553	32,389	32,002	30,239
Other Surface Rental Income	5,070	5,191	7,441	6,014	5,528
Recreation	8,323	8,014	8,367	8,956	9,374
Right of Way	-	54	-	-	-
Timber Sales	2,129	2,675	-	-	-
TOTAL SURFACE	\$51,616	\$51,227	\$50,938	\$49,712	\$47,881
COMMERCIAL					
Commercial	\$347	\$350	\$354	\$354	\$270
TOTAL COMMERCIAL	\$347	\$350	\$354	\$354	\$270
OTHER					
Renewable Energy	\$0	\$0	\$0	\$0	\$0
Land Sales	37,863	-	1,888	-	-
Jackson/Larimer	-	-	-	-	-
TOTAL OTHER	\$37,863	\$0	\$1,888	\$0	\$0
INTEREST INCOME					
Interest Income	\$3,140	\$4,229	\$2,906	\$2,443	\$1,516
TOTAL INTEREST INCOME	\$3,140	\$4,229	\$2,906	\$2,443	\$1,516
TOTAL REVENUE	\$1,111,240	\$906,069	\$821,723	\$891,938	\$874,490
OPERATING EXPENSES - Allocated					
TOTAL OPERATING EXPENSES - Allocated	\$72,425	\$64,923	\$62,158	\$34,704	\$14,475
NET INCOME (LOSS)	\$1,038,815	\$841,146	\$759,565	\$857,234	\$860,015
DISTRIBUTIONS					
FUND TRANSFER	\$0	\$0	\$0	\$0	\$0
FUND BALANCE	(1,095)	65,444	(66)	(139,091)	212,542
TOTAL TRUST DISTRIBUTION	\$1,039,910	\$775,701	\$759,631	\$996,325	\$647,473

Income Statement

Colorado State Board of Land Commissioners INTERNAL IMPROVEMENTS TRUST

For FY 2007-08 to FY 2011-12
Cash Basis

REVENUE	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
MINERALS					
Oil Royalties	\$0	\$0	\$0	\$43,739	\$9,585
Gas Royalties	-	-	-	16,965	7,306
Coal Royalties	-	-	-	-	-
Limestone Royalties	-	-	-	-	-
Other Mineral Royalties	-	-	-	-	-
Gravel Royalties	-	-	-	-	-
Bonus	-	-	-	-	-
Oil and Gas Rentals	-	42	42	42	42
SUA	-	-	-	-	-
Other Mineral Rentals	-	-	-	-	-
Coal Rentals	-	-	-	-	-
Gravel Rentals	-	-	-	-	-
TOTAL MINERALS	\$0	\$42	\$42	\$60,746	\$16,933
SURFACE					
Agricultural Rental	\$0	\$0	\$0	\$0	\$0
Grazing Rental	84,035	87,248	66,764	65,149	64,971
Other Surface Rental Income	17,729	15,188	2,540	5,156	8,835
Recreation	35,948	34,275	35,997	19,684	19,795
Right of Way	5,230	114	49,343	-	-
Timber Sales	5,361	6,962	-	-	-
TOTAL SURFACE	\$148,303	\$143,786	\$154,644	\$89,989	\$93,601
COMMERCIAL					
Commercial	\$733	\$738	\$142,484	\$357,119	\$297,104
TOTAL COMMERCIAL	\$733	\$738	\$142,484	\$357,119	\$297,104
OTHER					
Renewable Energy	\$0	\$21,417	\$17,603	\$0	\$0
Land Sales	-	-	5,778	-	-
Jackson/Larimer	-	-	-	-	-
TOTAL OTHER	\$0	\$21,417	\$23,381	\$0	\$0
INTEREST INCOME					
Interest Income	\$491	\$740	\$752	\$1,222	\$906
TOTAL INTEREST INCOME	\$491	\$740	\$752	\$1,222	\$906
TOTAL REVENUE	\$149,527	\$166,723	\$321,302	\$509,076	\$408,543
OPERATING EXPENSES - Allocated					
TOTAL OPERATING EXPENSES - Allocated	\$10,398	\$8,267	\$26,315	\$34,314	\$19,227
NET INCOME (LOSS)	\$139,129	\$158,457	\$294,987	\$474,763	\$389,317
DISTRIBUTIONS					
FUND TRANSFER	\$0	\$0	\$0	\$0	\$0
FUND BALANCE	28	3,599	19,813	(13,278)	0
TOTAL TRUST DISTRIBUTION	\$139,101	\$154,858	\$275,174	\$488,040	\$389,317

Income Statement

Colorado State Board of Land Commissioners PUBLIC BUILDINGS TRUST

For FY 2007-08 to FY 2011-12
Cash Basis

REVENUE	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
MINERALS					
Oil Royalties	\$32,193	\$21,448	\$7,590	\$6,082	\$2,806
Gas Royalties	22,875	43,383	17,088	13,525	10,527
Coal Royalties	-	-	-	-	-
Limestone Royalties	-	-	-	-	-
Other Mineral Royalties	-	320	320	-	320
Gravel Royalties	-	-	-	-	-
Bonus	-	3,784	3,400	547,400	-
Oil and Gas Rentals	3,438	3,510	2,872	2,712	2,232
SUA	-	-	-	-	-
Other Mineral Rentals	-	-	-	-	-
Coal Rentals	-	-	-	-	-
Gravel Rentals	-	-	-	-	-
TOTAL MINERALS	\$58,506	\$72,445	\$31,271	\$569,720	\$15,885
SURFACE					
Agricultural Rental	\$2,769	\$0	\$1,206	\$0	\$0
Grazing Rental	8,980	8,764	9,923	8,764	8,764
Other Surface Rental Income	500	500	524	500	500
Recreation	-	-	-	-	-
Right of Way	-	-	-	-	39,600
Timber Sales	-	-	-	-	-
TOTAL SURFACE	\$12,249	\$9,264	\$11,653	\$9,264	\$48,864
COMMERCIAL					
Commercial	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL	\$0	\$0	\$0	\$0	\$0
OTHER					
Renewable Energy	\$0	\$0	\$0	\$0	\$0
Land Sales	-	-	-	-	-
Jackson/Larimer	-	-	-	-	-
TOTAL OTHER	\$0	\$0	\$0	\$0	\$0
INTEREST INCOME					
Interest Income	\$300,217	\$215,472	\$172,478	\$158,356	\$86,476
TOTAL INTEREST INCOME	\$300,217	\$215,472	\$172,478	\$158,356	\$86,476
TOTAL REVENUE	\$370,973	\$297,182	\$215,402	\$737,340	\$151,225
OPERATING EXPENSES - Allocated					
TOTAL OPERATING EXPENSES - Allocated	\$111,819	\$17,097	\$43,054	\$27,162	\$6,679
NET INCOME (LOSS)	\$259,153	\$280,084	\$172,347	\$710,178	\$144,546
DISTRIBUTIONS					
FUND TRANSFER	\$0	\$0	\$0	\$0	\$0
FUND BALANCE	(1,395,475)	44,515	(422,423)	20,865	-
TOTAL TRUST DISTRIBUTION	\$1,654,629	\$235,569	\$594,770	\$689,312	\$144,546

Income Statement

Colorado State Board of Land Commissioners

HESPERUS TRUST

For FY 2007-08 to FY 2011-12

Cash Basis

REVENUE	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
MINERALS					
Oil Royalties	\$0	\$0	\$0	\$0	\$0
Gas Royalties	-	-	-	-	-
Coal Royalties	-	-	-	-	-
Limestone Royalties	-	-	-	-	-
Other Mineral Royalties	-	-	-	-	-
Gravel Royalties	-	-	-	-	-
Bonus	-	-	-	-	7,431
Oil and Gas Rentals	-	-	-	-	775
SUA	-	-	-	-	-
Other Mineral Rentals	-	-	-	-	-
Coal Rentals	-	-	-	-	-
Gravel Rentals	-	-	-	-	-
TOTAL MINERALS	\$0	\$0	\$0	\$0	\$8,206
SURFACE					
Agricultural Rental	\$0	\$0	\$0	\$0	\$0
Grazing Rental	-	-	-	-	31,962
Other Surface Rental Income	-	-	6,000	6,000	-
Recreation	-	-	-	-	-
Right of Way	-	-	-	-	-
Timber Sales	2,025	8	-	-	-
TOTAL SURFACE	\$2,025	\$8	\$6,000	\$6,000	\$31,962
COMMERCIAL					
Commercial	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL	\$0	\$0	\$0	\$0	\$0
OTHER					
Renewable Energy	\$0	\$0	\$0	\$0	\$0
Land Sales	-	-	-	-	-
Jackson/Larimer	-	-	-	-	-
TOTAL OTHER	\$0	\$0	\$0	\$0	\$0
INTEREST INCOME					
Interest Income	\$5	\$0	-\$5	\$36	\$11
TOTAL INTEREST INCOME	\$5	\$0	(\$5)	\$36	\$11
TOTAL REVENUE	\$2,030	\$8	\$5,995	\$6,036	\$40,179
OPERATING EXPENSES - Allocated					
TOTAL OPERATING EXPENSES - Allocated	\$141	\$2	\$468	\$581	\$5,875
NET INCOME (LOSS)	\$1,889	\$6	\$5,527	\$5,455	\$34,304
DISTRIBUTIONS					
FUND TRANSFER	\$0	\$0	\$0	\$0	\$0
FUND BALANCE	(0)	6	(5)	(5,574)	(0)
TOTAL TRUST DISTRIBUTION	\$1,889	\$0	\$5,532	\$11,029	\$34,304

Income Statement

Colorado State Board of Land Commissioners

PENITENTIARY TRUST

For FY 2007-08 to FY 2011-12

Cash Basis

REVENUE	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
MINERALS					
Oil Royalties	\$0	\$0	\$0	\$0	\$0
Gas Royalties	-	-	-	-	-
Coal Royalties	-	-	-	-	-
Limestone Royalties	-	-	-	-	-
Other Mineral Royalties	-	-	-	-	-
Gravel Royalties	-	-	-	-	-
Bonus	-	-	-	-	26,000
Oil and Gas Rentals	-	-	-	-	500
SUA	-	-	-	-	-
Other Mineral Rentals	-	-	-	-	-
Coal Rentals	-	-	-	-	-
Gravel Rentals	-	-	-	-	-
TOTAL MINERALS	\$0	\$0	\$0	\$0	\$26,500
SURFACE					
Agricultural Rental	\$0	\$0	\$0	\$0	\$0
Grazing Rental	6,362	6,555	6,555	6,555	7,015
Other Surface Rental Income	-	-	-	-	-
Recreation	5,491	5,689	5,459	5,181	5,153
Right of Way	7,630	-	-	-	-
Timber Sales	30	-	-	-	-
TOTAL SURFACE	\$19,513	\$12,245	\$12,015	\$11,736	\$12,168
COMMERCIAL					
Commercial	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL	\$0	\$0	\$0	\$0	\$0
OTHER					
Renewable Energy	\$0	\$0	\$0	\$0	\$0
Land Sales	-	-	-	-	-
Jackson/Larimer	-	-	-	-	-
TOTAL OTHER	\$0	\$0	\$0	\$0	\$0
INTEREST INCOME					
Interest Income	\$69	-\$38	\$2	\$5	\$12
TOTAL INTEREST INCOME	\$69	(\$38)	\$2	\$5	\$12
TOTAL REVENUE	\$19,582	\$12,207	\$12,017	\$11,741	\$38,680
OPERATING EXPENSES - Allocated					
TOTAL OPERATING EXPENSES - Allocated	\$1,377	\$874	\$1,216	\$910	\$1,557
NET INCOME (LOSS)	\$18,206	\$11,333	\$10,801	\$10,831	\$37,122
DISTRIBUTIONS					
FUND TRANSFER	\$0	\$0	\$0	\$0	\$0
FUND BALANCE	0	(17)	(53)	11	4
TOTAL TRUST DISTRIBUTION	\$18,206	\$11,350	\$10,855	\$10,820	\$37,118

Income Statement

Colorado State Board of Land Commissioners

CU TRUST

For FY 2007-08 to FY 2011-12

Cash Basis

REVENUE	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
MINERALS					
Oil Royalties	\$0	\$0	\$0	\$0	\$0
Gas Royalties	-	-	-	-	-
Coal Royalties	-	-	-	-	-
Limestone Royalties	-	-	-	-	-
Other Mineral Royalties	-	-	-	-	-
Gravel Royalties	-	-	-	-	-
Bonus	-	-	1,920	-	-
Oil and Gas Rentals	1,680	1,440	1,920	1,920	1,440
SUA	-	-	-	-	-
Other Mineral Rentals	-	-	-	-	-
Coal Rentals	-	-	-	-	-
Gravel Rentals	-	-	-	-	-
TOTAL MINERALS	\$1,680	\$1,440	\$3,840	\$1,920	\$1,440
SURFACE					
Agricultural Rental	\$2,952	\$2,952	\$2,952	\$2,997	\$3,961
Grazing Rental	12,503	13,202	13,706	13,379	11,869
Other Surface Rental Income	5,577	5,921	9,979	10,201	7,441
Recreation	1,574	342	316	366	360
Right of Way	129	63	-	-	-
Timber Sales	2,484	3,059	-	-	-
TOTAL SURFACE	\$25,219	\$25,540	\$26,954	\$26,943	\$23,631
COMMERCIAL					
Commercial	\$405	\$408	\$413	\$413	\$315
TOTAL COMMERCIAL	\$405	\$408	\$413	\$413	\$315
OTHER					
Renewable Energy	\$0	\$0	\$0	\$0	\$0
Land Sales	-	-	-	-	-
Jackson/Larimer	-	-	-	-	-
TOTAL OTHER	\$0	\$0	\$0	\$0	\$0
INTEREST INCOME					
Interest Income	\$441	\$71	\$46	\$54	-\$1
TOTAL INTEREST INCOME	\$441	\$71	\$46	\$54	(\$1)
TOTAL REVENUE	\$27,745	\$27,458	\$31,253	\$29,329	\$25,385
OPERATING EXPENSES - Allocated					
TOTAL OPERATING EXPENSES - Allocated	\$1,929	\$1,242	\$2,720	\$2,097	\$1,252
NET INCOME (LOSS)	\$25,816	\$26,217	\$28,533	\$27,233	\$24,133
DISTRIBUTIONS					
FUND TRANSFER	\$0	\$0	\$0	\$0	\$0
FUND BALANCE	-	0	(1)	(1,712)	4
TOTAL TRUST DISTRIBUTION	\$25,816	\$26,217	\$28,534	\$28,945	\$24,129

Income Statement

Colorado State Board of Land Commissioners

SALINE TRUST

For FY 2007-08 to FY 2011-12

Cash Basis

REVENUE	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
MINERALS					
Oil Royalties	\$0	\$0	\$0	\$0	\$0
Gas Royalties	-	-	-	-	-
Coal Royalties	-	-	-	-	-
Limestone Royalties	-	-	-	-	-
Other Mineral Royalties	-	-	-	-	-
Gravel Royalties	-	-	-	-	-
Bonus	-	-	-	-	-
Oil and Gas Rentals	-	-	-	-	-
SUA	-	-	-	-	-
Other Mineral Rentals	-	-	-	-	-
Coal Rentals	-	-	-	-	-
Gravel Rentals	-	-	-	-	-
TOTAL MINERALS	\$0	\$0	\$0	\$0	\$0
SURFACE					
Agricultural Rental	\$0	\$0	\$0	\$0	\$0
Grazing Rental	14,430	13,209	13,209	13,209	13,209
Other Surface Rental Income	-	5,063	-	-	-
Recreation	10,118	9,592	10,103	11,995	11,846
Right of Way	-	-	-	-	-
Timber Sales	1,816	2,946	-	-	-
TOTAL SURFACE	\$26,363	\$30,810	\$23,312	\$25,204	\$25,055
COMMERCIAL					
Commercial	\$0	\$0	\$500	\$0	\$0
TOTAL COMMERCIAL	\$0	\$0	\$500	\$0	\$0
OTHER					
Renewable Energy	\$0	\$0	\$0	\$0	\$0
Land Sales	-	-	-	-	-
Jackson/Larimer	-	-	-	-	-
TOTAL OTHER	\$0	\$0	\$0	\$0	\$0
INTEREST INCOME					
Interest Income	\$45	-\$25	\$11	\$40	\$4
TOTAL INTEREST INCOME	\$45	(\$25)	\$11	\$40	\$4
TOTAL REVENUE	\$26,408	\$30,785	\$23,823	\$25,244	\$25,059
OPERATING EXPENSES - Allocated					
TOTAL OPERATING EXPENSES - Allocated	\$1,719	\$2,200	\$2,432	\$1,959	\$1,490
NET INCOME (LOSS)	\$24,689	\$28,584	\$21,391	\$23,285	\$23,569
DISTRIBUTIONS					
FUND TRANSFER	\$0	\$0	\$0	\$0	\$0
FUND BALANCE	-	(34)	(117)	(356)	-
TOTAL TRUST DISTRIBUTION	\$24,689	\$28,618	\$21,508	\$23,641	\$23,569

Income Statement

Colorado State Board of Land Commissioners

FOREST TRUST

For FY 2007-08 to FY 2011-12

Cash Basis

REVENUE	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
MINERALS					
Oil Royalties	\$0	\$0	\$0	\$0	\$0
Gas Royalties	-	-	-	-	-
Coal Royalties	-	-	-	-	-
Limestone Royalties	-	-	-	-	-
Other Mineral Royalties	-	-	-	-	-
Gravel Royalties	-	-	-	-	-
Bonus	-	-	-	-	-
Oil and Gas Rentals	-	-	-	-	-
SUA	-	-	-	-	-
Other Mineral Rentals	-	-	-	-	-
Coal Rentals	-	-	-	-	-
Gravel Rentals	-	-	-	-	-
TOTAL MINERALS	\$0	\$0	\$0	\$0	\$0
SURFACE					
Agricultural Rental	\$0	\$0	\$0	\$0	\$0
Grazing Rental	-	-	-	-	-
Other Surface Rental Income	-	-	-	-	(8)
Recreation	-	-	-	-	-
Right of Way	-	-	-	-	-
Timber Sales	-	-	-	-	-
TOTAL SURFACE	\$0	\$0	\$0	\$0	(\$8)
COMMERCIAL					
Commercial	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL	\$0	\$0	\$0	\$0	\$0
OTHER					
Renewable Energy	\$0	\$0	\$0	\$0	\$0
Land Sales	-	-	-	-	-
Jackson/Larimer	17,144	19,095	9,595	9,403	7,984
TOTAL OTHER	\$17,144	\$19,095	\$9,595	\$9,403	\$7,984
INTEREST INCOME					
Interest Income	\$115	\$38	\$5	\$5	\$0
TOTAL INTEREST INCOME	\$115	\$38	\$5	\$5	(\$0)
TOTAL REVENUE	\$17,259	\$19,133	\$9,600	\$9,408	\$7,976
OPERATING EXPENSES - Allocated					
TOTAL OPERATING EXPENSES - Allocated	\$1,859	\$1,101	\$894	\$698	\$393
NET INCOME (LOSS)	\$15,399	\$18,032	\$8,705	\$8,710	\$7,583
DISTRIBUTIONS					
FUND TRANSFER	\$0	\$0	\$0	\$0	\$0
FUND BALANCE	16	-	(1)	22	-
TOTAL TRUST DISTRIBUTION	\$15,383	\$18,032	\$8,706	\$8,688	\$7,583